

# QC/QA NEWSLETTER

*"To enrich lives through  
effective and caring service"*

## GREAT NEWS!

### FOOD STAMP PENALTY SETTLEMENT

The Food Stamp sanction totaling \$185.4 million for Federal Fiscal Year (FFY) 2000, 2001 and 2002 has been settled. Los Angeles County's share of the sanction was \$143.1 million. Under the terms of the settlement, the County is not required to make any payment at this time. The Federal Government has waived the \$10.4 million of the State's remaining FFY 2000 penalty, which was held at-risk in relation to the State's FFY 2003 performance.

**HOWEVER, as part of the settlement**, a total of **\$62.5 million** of the combined FFY 2001 and 2002 penalties is **held at-risk** based on California's Food Stamp error rate for FFY 2003-2007:

FFY 2003, if the error rate is less than or equal to **7.4%**: **\$12.5M** at-risk money will be released  
FFY 2004, if the error rate is less than or equal to **7.4%**: **\$12.5M** at-risk money will be released  
FFY 2005, if the error rate is less than or equal to **7.4%**: **\$12.5M** at-risk money will be released  
FFY 2006, if the error rate is less than or equal to **7.4%**: **\$12.5M** at-risk money will be released  
FFY 2007, if the error rate is less than or equal to **7.4%**: **\$12.5M** at-risk money will be released

**IF CALIFORNIA'S ERROR RATE REMAINS LESS  
THAN OR EQUAL TO 7.4%**

**THE TOTAL: \$62.5M at-risk money will be released**



### THE BATTLE IS STILL NOT OVER

**FOR THE NEXT FOUR  
YEARS OUR TARGET  
FOR THE FOOD  
STAMP ERROR RATE:**



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